

**DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**  
INDIANAPOLIS

**OFFICE MEMORANDUM**

Date: February 26, 2003

To: WPCB members

From: Larry Wu  
Rules Development Section, Chief

Subject: Storm Water Rule 13 Fiscal Impact Analysis

Please find attached the Legislative Services Agency fiscal impact statement for Storm Water Rule 13 that was published in the January 1, 2003 Indiana Register. This is in anticipation of the continuation of public hearing regarding final adoption of amendments to 327 IAC 5-4-6, Storm water discharges under NPDES and Pretreatment programs and new rules 327 IAC 15-13, NPDES General Permit program for Municipal Separate Storm Sewer Systems (MS4) (#01-96).

When the estimated economic impact of a proposed rule exceeds \$500,000 IC 4-22-2-28 requires LSA to prepare a fiscal analysis prior to final adoption. LSA concluded for Rule 13 that estimated costs to INDOT would be \$22,500, and to municipalities and other entities \$592,000.

It is this analysis that IC 13-14-9-6(3) requires IDEM to provide to the board. However, as the actual analysis is quite brief, we have included as a courtesy to the board a copy of the memorandum from Mary Ellen Gray, IDEM to Diane Powers, Director, Office of Fiscal and Management Analysis, LSA, dated October 30, 2002. The memorandum included the following documents (the fact sheet and proposed rule will not be included in this distribution):

- 1) The fact sheet;
- 2) The proposed rule;
- 3) The fiscal impact memo submitted to the State Budget Agency; and
- 4) Attachments detailing the estimate of the economic impact of the rule:
  - A) IDEM analysis of economic impact
  - B) Initial designated entity listing
  - C) Revised Rule 13 cost range for more specific state requirements
  - D) Revised Rule 13 respondent costs for more specific state requirements
  - E) Storm water management justification of cost to INDOT
  - F) Summary of INDOT costs and total estimated costs of rulemaking
  - G) Original federal/state comparison for purposes of fiscal analysis
  - H) Original Rule 13 cost range for more specific state requirements
  - I) Original Rule 13 respondent costs for more specific state requirements

J) INDOT's original costs associated with storm water rules

The memo restated the total federal annual cost estimate for Indiana as \$9,046,511.

**Note:** the text of the original October 30, 2002 memorandum incorrectly identifies the calculated cost estimates for INDOT at \$122,500 and municipalities at \$592,000 as annual costs. Instead, they should have been stated as reflecting costs over a 5-year permit cycle. Table 1 of the memo correctly identifies the costs as being 5 year costs. The LSA analysis was based on the 5-year permit cycle.